



Kentucky Tax Alert



A KRC PUBLICATION FOR THE TAX PROFESSIONAL

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Refund Offsets and Checkoff Programs for 1999 Individual Income Tax Returns

Pursuant to KRS 131.560, KRC collects delinquent debts owed to participating agencies by deducting those amounts from individual income tax refund checks.

Below are the amounts offset from 1999 refunds and credited to debts owed to participating agencies:



Program or Agency	Number of Offsets	Amount Offset
Child Support (Families and Children)	10,618	\$1,674,714
Unemployment Insurance (Workforce Development)	2,392	309,850
Higher Education	2,233	319,030
Natural Resources	48	11,552
Unemployment Insurance (Workforce Development) (Tax Collection)	142	33,155
Aid to Families with Dependent Children (Families and Children)	4,864	544,952
Food Stamps (Families and Children)	396	43,881
Multiple Programs (Families and Children and Workforce Development Cabinets)	706	104,168
Transportation	8	1,300
Absent Parent (Families and Children)	249	40,963
Medical Assistance (Families and Children)	21	2,441

Below are the number of contributors and amounts checked off by Kentucky taxpayers for the five funds appearing on the 1999 individual income tax return:

Fund	Number	Amount
Bluegrass State Games	3,351	\$16,516
Child Victims Trust	12,205	70,138
Nongame Wildlife/Natural Areas	11,775	72,574
Veterans Fund	4,669	28,573
Democratic Party	38,027	98,778
Republican Party	23,941	66,742

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Grief Tax Institute Scheduled at U of L

The 48th annual Louis A. Grief Tax Institute will be held Dec. 13–15, 2000, at the University of Louisville. Registration is \$160 before Dec. 4, 2000, and 24 hours of CPE credit are provided. For more information, call (502) 852-5847.



University of Kentucky Schedules Income Tax Seminars

The University of Kentucky College of Agriculture is conducting income tax seminars at various sites across the commonwealth with the assistance of KRC personnel. Fourteen two-day seminars are tentatively scheduled during November and December.



The registration fee is \$189 per person. Every participant receives a copy of the workbook, a Master Tax Guide, the KRC workbook, and various Internal Revenue Service publications.

The Kentucky Board of Accountancy has approved the seminars for 16 hours of CPE credit. Attorneys must apply directly to the Kentucky Bar Association for CLE credit.

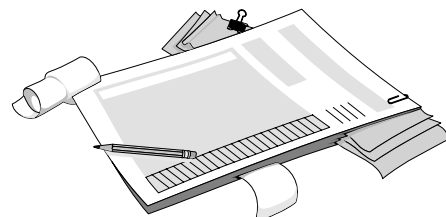
Registration brochures will be mailed in mid-September. Anyone who attended a tax workshop in the past two years should receive a brochure in the mail. Brochures are available in local county extension offices after Sept. 30, 2000, or can be obtained by contacting the Department of Agricultural Economics, University of Kentucky, 400 Agricultural Engineering Building, Lexington, KY 40546-0276, (859) 257-7292.

Workshop dates and locations are as follows:


DATE	LOCATION
Nov. 8–9	Frankfort Holiday Inn—Capital Plaza 405 Wilkinson Boulevard
Nov. 9–10	Bowling Green University Plaza Hotel and Convention Center 1021 Wilkinson Trace
Nov. 13–14	Bardstown Holiday Inn 1875 New Haven Road
Nov. 13–14	Somerset Center for Rural Development 2292 South Highway 27
Nov. 16–17	Paducah J.R.'s Executive Inn One Executive Boulevard
Nov. 16–17	Prestonsburg Jenny Wiley State Resort Park 419 Jenny Wiley Road
Nov. 20–21	Owensboro Executive Inn Rivermont One Executive Boulevard



DATE	LOCATION
Nov. 20–21	Lexington Holiday Inn North 1950 Newtown Pike
Nov. 29–30	Morehead Adron Doran University Center 150 University Boulevard
Nov. 30–Dec. 1	Louisville Executive Inn West 830 Phillips Lane
Dec. 4–5	Burlington (Northern Kentucky) Boone County Extension Office 6028 Camp Ernst Road
Dec. 5–6	Hopkinsville Holiday Inn 2910 Ft. Campbell Boulevard
Dec. 11–12	Lexington Holiday Inn North 1950 Newtown Pike
Dec. 12–13	Maysville Ramada Inn 484 Moody Drive



KRC, IRS Sponsor Electronic Filing Seminars

KRC and the Internal Revenue Service (IRS) will sponsor nine  seminars on electronic filing of individual income tax returns at various sites across the state. Each seminar runs from 9 a.m. to 3 p.m. local time. Registration is recommended to help KRC and the IRS plan the seminars, and to allow participants to be advised of any changes.

Seminars will be held at the following locations:

DATE	LOCATION
Oct. 25	Ashland 1021 Carter Avenue Fire Department Building
Oct. 26	Corbin Highway 90 Cumberland Falls State Resort Park
Oct. 27	Lexington 140 East Main Street Lexington Public Library
Nov. 6	Florence 8100 Ewing Boulevard Government Center
Nov. 8	Louisville 7219 Dixie Highway Southwest Jefferson County Government Center
Nov. 9	Louisville 200 Juneau Drive East Jefferson County Government Center
Nov. 14	Paducah 2900 Irwin Cobb Drive Jackson Purchase Energy Company
Nov. 15	Bowling Green 812 State Street Chamber of Commerce
Nov. 16	Owensboro 450 Griffith Avenue Daviess County Public Library

To register, tax practitioners should complete the registration form sent to them by Betty Martin of the IRS. Practitioners who do not receive a registration form should call KRC at (502) 564-5370 to request the form.

Taxpayers Should Inform KRC of Address Changes

Taxpayers whose addresses changed during the past year should inform KRC of their new address so individual income tax forms may be sent to the proper location.



Send address change notifications to Kentucky Revenue Cabinet, 1266 Louisville Road, Frankfort, KY 40620.

Lexington, Northern Kentucky TSCs Now in 859 Area Code

The Lexington and Northern Kentucky taxpayer service centers (TSCs) are now located in area code 859 instead of area code 606. Please note that the seven-digit telephone and fax numbers for these two TSCs remain the same. Only the area codes changed.



Until Sunday, Oct. 1, 2000, a *permissive dialing period* is in effect. During this permissive period, callers may dial either the 606 or 859 area code to reach these TSCs. After the permissive period ends on Oct. 1, 2000, all calls to these TSCs must be dialed using the 859 area code.

Counties in the new 859 area code are Boone, Bourbon, Boyle, Campbell, Clark, Fayette, Gallatin, Garrard, Grant, Harrison, Jessamine, Kenton, Madison, Mercer, Montgomery, Nicholas, Pendleton, Washington, and Woodford.

KRC Offices Closed for Election Day, Veterans Day



Pursuant to KRS 2.190, all KRC offices will be closed on Tuesday, Nov. 7, 2000, for Election Day.

Pursuant to KRS 18A.190, all KRC offices will be closed on Friday, Nov. 10, 2000, in observance of Veterans Day.

Forms Requisition Order Form Available Later In Year

Form 40A727, Kentucky Income Tax Forms Requisition, normally published in *Kentucky Tax Alert* each September, will be published this year in November instead.

This form is expected to be available from KRC's Online Taxpayer Service Center at <http://www.state.ky.us/agencies/revenue> in late September or early October.

Tax Alert Subscribers Reminded to Return Letters to Remain on Mailing List

Subscribers to the printed version of **Kentucky Tax Alert** who wish to continue receiving mailed copies of the newsletter are reminded to return the letter they received in August in order to remain on the mailing list.



Those who do not return their letters by Sept. 15, 2000, will be purged from the mailing list.

Tax Alert readers with Internet access are urged to read the publication at KRC's Online Taxpayer Service Center (TSC), <http://www.state.ky.us/agencies/revenue>. Those who wish to receive E-mail notices of the availability of a new issue of **Tax Alert** may send requests to H.B.Elkins@mail.state.ky.us to be included on an E-mail list. Subscribers who E-mailed such requests between Aug. 17–28, 2000, and who did not receive E-mail notification of the availability of this issue, are asked to resubmit their request to H.B.Elkins@mail.state.ky.us to be added to the list.

Tax Alert is available from the Online TSC two to three weeks earlier than it is in paper format. By reading the publication on the Internet, subscribers can receive information in a more timely manner, and can help reduce printing and postage costs which are paid from taxpayer funds.

Court Case Update

Sales and Use Tax—On Aug. 16, 2000, in **Revenue Cabinet v. Lazarus Inc. and Federated Department Stores**, 1999-SC-1070-D, the Kentucky Supreme Court granted KRC's motion for discretionary review of the Court of Appeals' opinion in this case. In that opinion, the Court of Appeals held that the taxpayers' distribution of preprinted newspaper advertising inserts via delivery by Kentucky newspapers and the taxpayers' distribution of catalogs to Kentucky residents via the U.S. mail were not subject to use tax under KRS 139.310.

The Supreme Court's granting of the motion for discretionary review means the court will decide the merits of the use tax issues presented in this case. The parties will now begin the process of preparing and filing briefs with the court.

Kentucky Tax Alert is a bimonthly publication printed on recycled paper, the costs of which are paid from state funds.

Comments, suggestions and mailing list additions or corrections should be addressed to the Public Information and Communication Services Branch, Revenue Cabinet, Station 14, Frankfort, Kentucky 40620, (502) 564-4592.

Editors	Sarah S. Gilkison, Betty R. Sanford
Writer	H.B. Elkins
Production	Alice A. Bryant, Betty R. Sanford
Mailing List	Ladonna C. Ware

Paul E. Patton, Governor Mike Haydon, Secretary

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COMMONWEALTH OF KENTUCKY
REVENUE CABINET
FRANKFORT, KENTUCKY 40620

Kentucky Revenue Cabinet
Mission Statement

To provide courteous, accurate
and efficient services for the benefit of
Kentucky and its citizens, and admin-
ister the tax laws of the Common-
wealth in a fair and impartial manner.